

USDA RURAL DEVELOPMENT INVESTS 679 MILLION TO MAKE RURAL MISSOURI A BETTER PLACE TO LIVE

A \$679,282,977 dollar investment by USDA Rural Development assisted rural Missouri in financial assistance during Fiscal Year 2006. The funds were through a variety of loan and grant programs to provide quality housing, good jobs, clean drinking water plus reliable modern essential community facilities and services.

“Many individuals, families, businesses, and communities in rural Missouri benefited with the USDA Rural Development assistance,” said Greg Branum, Missouri State Director for USDA Rural Development. “I sincerely appreciate the hard work of all the individuals, families, businesses, organizations and communities that completed the applications for assistance; the partners that participated; the Missouri Rural Development staff; the strong support that we received from the Missouri Congressional delegation; and President Bush’s leadership.”

“These funds from the USDA are an investment in rural Missouri's prosperity,” said U.S. Senator Kit Bond. “Funds for good jobs and housing, critical services, and rural infrastructure will improve the quality of life in these communities and jump-start economic and job growth in the state.”

U.S. Representative Roy Blunt stated, “The USDA Rural Development program is a federal government success story. Rural Development funds have become crucial in stabilizing and re-energizing rural communities with improved housing, new water and septic systems, and expanded electric and telephone services. These funds are the building blocks for economic development and opportunity in small communities. Rural Development programs have a history of helping residents in our smaller towns and cities solve community problems, thereby improving their quality of life.”

Comments from U.S. Representative Ike Skelton are, “USDA Rural Development funding supports a variety of economic development and public safety projects that make life better in rural Missouri. Last year, USDA Rural Development funding helped Fourth Congressional District communities install new storm sirens, buy a fire station building, purchase an emergency generator for a rural health clinic, begin main street revitalization projects, and organize a regional business conference. I am grateful to USDA Rural Development staff for their efforts to help small communities throughout Missouri.”

Likewise U.S. Representative Jo Ann Emerson shared, “We face unique challenges, and I am very proud of the Rural Development mission to find unique ways to invest in projects such as water quality, public safety, and economic development. These millions of dollars return to our congressional district and fund improvements in our



Left to right) U. S. Senator Kit Bond; U. S. Representative Roy Blunt, U. S. Representative Jo Ann Emerson, U. S. Representative Kenny Hulshof, and Greg Branum, Missouri State Director for USDA Rural Development.

quality of life. It takes great dedication to ensure that this money is spent wisely in places where it can do the most good, and USDA Rural Development does an excellent job of reflecting the values and meeting the needs of our rural Missouri communities.”

U.S. Representative Sam Graves added, “The funding provided through USDA Rural Development programs are vital to Missouri. Not only do they create conditions for economic growth, but they also help better Missouri communities. I appreciate the hard work of the USDA Rural Development staff, and I look forward to working them next year to continue this important investment in Northwest Missouri.”

And, finally, U.S. Representative Kenny Hulshof said, “USDA Rural development funds ensure that our rural communities have access to the resources necessary for the unique challenges they face. These funds help with economic development, enhancement of equipment for first responders and upgrades of basic infrastructure. Missouri’s congressional delegation has formed a strong partnership with the USDA staff in Missouri and I look forward to another successful year in 2007.”

Some of the investment highlights for fiscal year 2006 in Missouri to improve the quality of life and be successful in the 21st century include the following:

In the Rural Development Single Family Housing Programs a grand total of almost \$184.3 million of financial service was provided in Missouri. Of this amount, \$146.6 million of loan guarantees was provided through partnerships with private sector lenders. The guaranteed housing program assisted 1,750 individuals or families. Another \$37.3 million was provided to 984 deserving individuals or families with the 502 and 504 direct housing program.

There were five grants to help families with \$293,620 of repairs through a Housing Preservation Grant program. One Self-Help Technical Assistance grant for \$198,000 was issued to assist twelve families with housing assistance. Through countless hours of hard work, they combined a Rural Development housing loan with their own “sweat equity” to build a home and realize the American Dream of homeownership.

In the Multi-family Housing Programs, over \$26 million in assistance was made available. Affordable rental units benefited rural residents in 5 communities where \$285,975 was loaned for apartment complexes. Another \$17,903,344 of rental assistance was provided to 9,109 very low income families living in approximately 19,102 apartments in 839 rental projects financed by Rural Development in Missouri.

During FY 2006, a new demonstrations program, Multi-Family Housing Preservation and Revitalization, was piloted. The purpose of the program is to preserve existing multi-family complexes in rural Missouri by ensuring that borrowers will be able to generate sufficient financial resources to make much needed capital improvements to their property. Twelve borrowers were selected in Missouri for this new program. Additional loan funds and grant funds in the amount of \$2,249,089 along with debt deferral of \$5,874,545 and \$60,000 in grant funds from the Missouri Housing Development Commission allowed the borrowers to make the capital improvements and yet keep the rents affordable for the tenants.

Through the Community Facilities program over \$11,854,849 in funds were provided to 74 communities for projects including 10 fire and rescue, 56 first responders and early warning systems, 3 health care facilities, a community center and a 911 dispatch center.

In Rural Development’s Business and Cooperative Programs a grand total of 21.8 million was delivered to rural Missouri. Of this amount, over \$15.2 million in guaranteed loans were made with our commercial lending partners, which provided assistance to 13 businesses across the state. Funds were used to provide financing to businesses including a chemical manufacturer, a farm supply store, lawn & gardening business, hardware store, emergency medical supply store, seed companies, construction equipment manufacturer, residential care facility, wholesale greenhouse, and a center for disability assistance services. These loans resulted in a total of 646 jobs being created or saved in Missouri’s rural areas.

Several cities, communities, counties and organizations were recipients of almost \$4.75 million through other Rural Development loan and grant programs. These included almost \$1 million in 21 Rural Business Enterprise Grants, one Renewable Energy Grant for \$500,000, one Rural Cooperative Development Grant for \$225,000 and three Rural Economic Development loans for \$2.2 million and one grant for \$300,000, one Intermediary Relending Program Loan for \$500,000, plus a Rural Business Opportunity Grant for \$25,000. Missouri was very fortunate to receive 9 Value Added Producer Grants totaling almost \$2 million to fund a variety of projects across the state. All of these programs allowed rural Missourians to benefit with assistance in planning feasibility studies, training, conducting surveys, and essential infrastructure in support of economic and community development activities in rural areas.

In the Rural Development Rural Utilities Services program, a grand total of \$448 million of assistance was provided to communities, including water and waste, electrical, and telephone distribution. In the water and waste area, \$36.3 Million was made available through 36 loans and 18 grants which assisted over 26,211 families with adequate drinking water and new or improved waste disposal systems. The USDA funds were leveraged with \$12.8 million of other federal, state, and local funds to accomplish these results.

Six cities or communities benefited with \$40,830 in Predevelopment Planning Grants (PPG). Most of this money will be used for preliminary Engineering and Environmental Reports.

In the Telephone program area, a total of \$53,088,674 in financing was made available to assist Missouri rural areas. One north Missouri Corporation received \$42,960,000 through the telephone program to connect subscribers, provide improvements in the transmission and switching facilities provide fiber optic cables, and expand telecommunication systems to provide better service. One Broad Band system was financed for \$9,299,000. Five Distance Learning and Telemedicine grants were issued totaling \$829,674. Loans are available through the telephone program to connect subscribers, provide improvements in the transmission and switching facilities, provide fiber optic cables, and expand telecommunication systems to provide better service to rural Missouri residents.

In the Electrical program area a total of \$335.5 million was provided including: 10 distribution loans for \$100.2 million and four generation and transmission projects for \$235.3 million assisting several communities and rural residents. Some of the funds were utilized to assist with generation and transmission of electricity and some to distribute electricity to end users/customers. It is estimated over 330,000 rural residential consumers benefited from these electrical programs.

Branum added, "I want to extend my sincere appreciation to the many partners that assisted the Missouri USDA Rural Development staff with these accomplishments. With continued cooperation, we look forward to helping more individuals, families, businesses and communities with their needs in the year ahead."

USDA Rural Development's mission is to deliver programs in a way that will support increasing economic opportunity and improve the quality of life of rural residents. Rural Development is Rural America's Venture Capitalist providing equity, liquidity, and technical assistance to finance and foster growth in homeownership, business development, plus critical community and technology infrastructure. Further information on these rural programs is available at a [local USDA Rural Development office](http://www.rurdev.usda.gov/mo/) or visiting USDA's web site at <http://www.rurdev.usda.gov/mo/>.

"Committed to the future of rural communities."

"USDA is an equal opportunity provider, employer and lender."

To file a complaint of discrimination write USDA, Director, Office of Civil Rights, 1400 Independence Ave., S.W., Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD).